

Earnings Release

1Q24



Patrimar - Inspiring change make us experience change



**Certified
by Great
Place to Work**

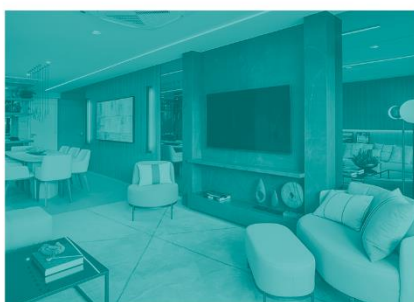
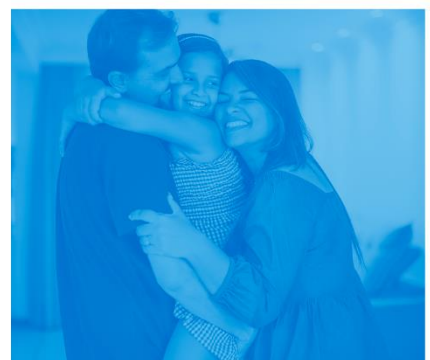


Operation with geographical
diversification and residential
segments

Quality that
places us among
the largest
developers
in Brazil

Commitment to
quality and comfort
down to the smallest
details

**Commitment
to ESG guidelines**
to build, above all,
a better world



National and
international recognition
for design and
functionality

Full attention
to customer needs,
creating innovations
for their needs

PATRIMAR
ASSET

The convenience of
receiving an equipped
Patrimar. The result is a safe
investment with a faster return.



Projects with EDGE
sustainability
certification

Building places
that change
for the better
with your
arrival

Belo Horizonte, May 15th, 2024 - Patrimar Engenharia S.A. ("Patrimar" or "Group"), one of the largest developers and builders in Brazil, operating in the economic, middle-income and high-income levels (luxury and high luxury products), discloses its operational and financial results for the first quarter of 2024 ("1Q24"). Unless otherwise indicated, the information in this document is expressed in Brazilian Reals (R\$) and the Potential Sales Value ("PSV") demonstrates the consolidated value (100%).

Highlights



R\$ 1.4 billion
in Revenues in 1Q24 LTM
4% higher than 1Q23 LTM

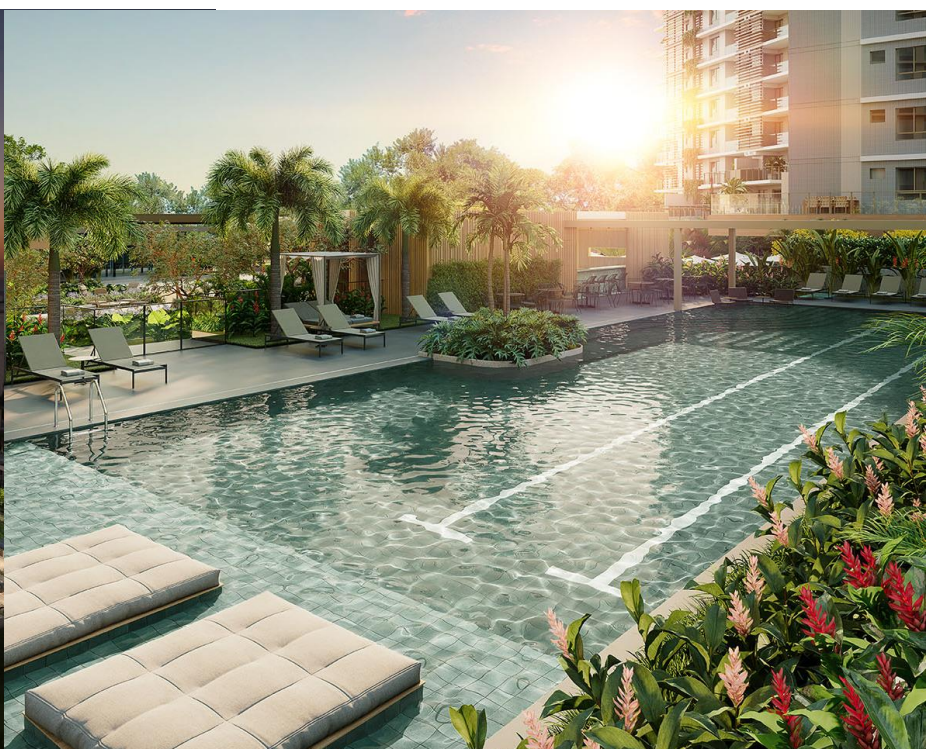
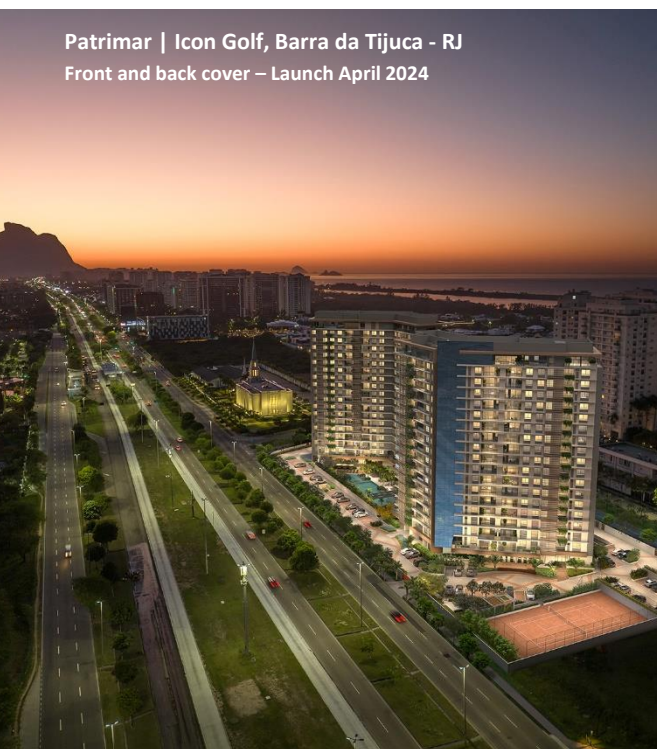


33.8% gross margin on
1Q24 sales



R\$ 387 MM
in sales and reservations in
just 2 projects
in April 2024

Patrimar | Icon Golf, Barra da Tijuca - RJ
Front and back cover – Launch April 2024



Message from Management

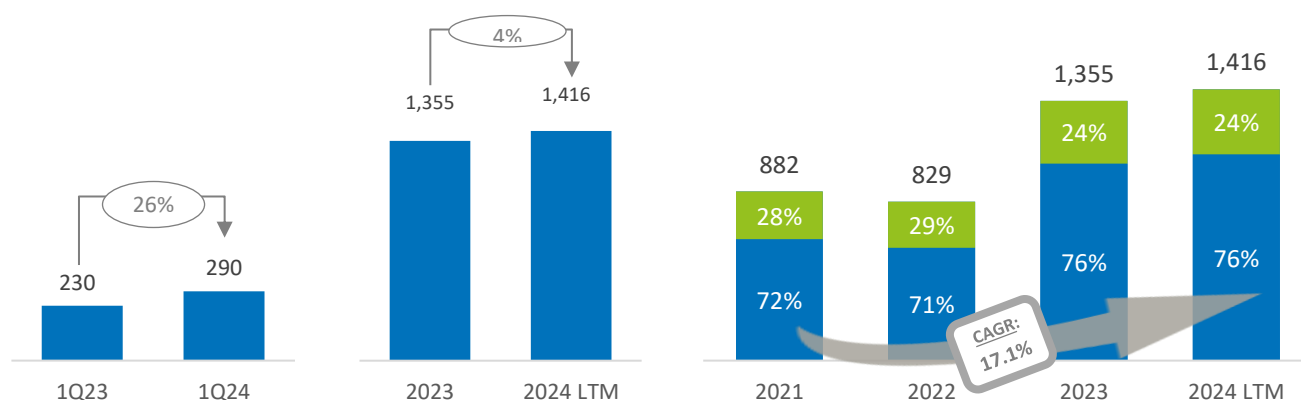
The first quarter of 2024 proved to be more challenging than we had anticipated. We had a good operational performance for this three-month period, although historically weaker than other quarters of the years, also reflecting a financial performance below that of the Company's other historical periods. Added to this, the volume of construction progress was lower than expected due to rain and festivities, impacting our revenue generation from our well-selling projects.

Additionally, we had a relevant impact on a single Patrimar project, basically caused by problems with suppliers at the end of the work, generating additional unforeseen expenses and longer delivery times, carrying a team for longer than planned. As the work was already close to completion – it is now fully completed – the impact on the quarter's results was significant, in the order of R\$ 16.7 million negatively on gross profit. As mentioned, this problem has already been fully addressed in the quarter, the work is completed and delivered and we do not expect new expenses on this or other projects in the coming quarters.

The challenges of the “COVID-19” harvest projects are leaving our balance sheet and we are confident in improving margins, the business and our profitability. Our gross margins on sales in the quarter are healthy, the economy segment business is accelerating as expected and our sales success at the beginning of the second quarter gives us this confidence.

Business Growth

We continue to evolve in our growth within the plan outlined in 2021 to double in size in 2024 – PX2. The effect of this growth, the progress of works and sales volume can already be seen in our net operating revenue, a record for a first quarter, despite the progress of works below that of other quarters.

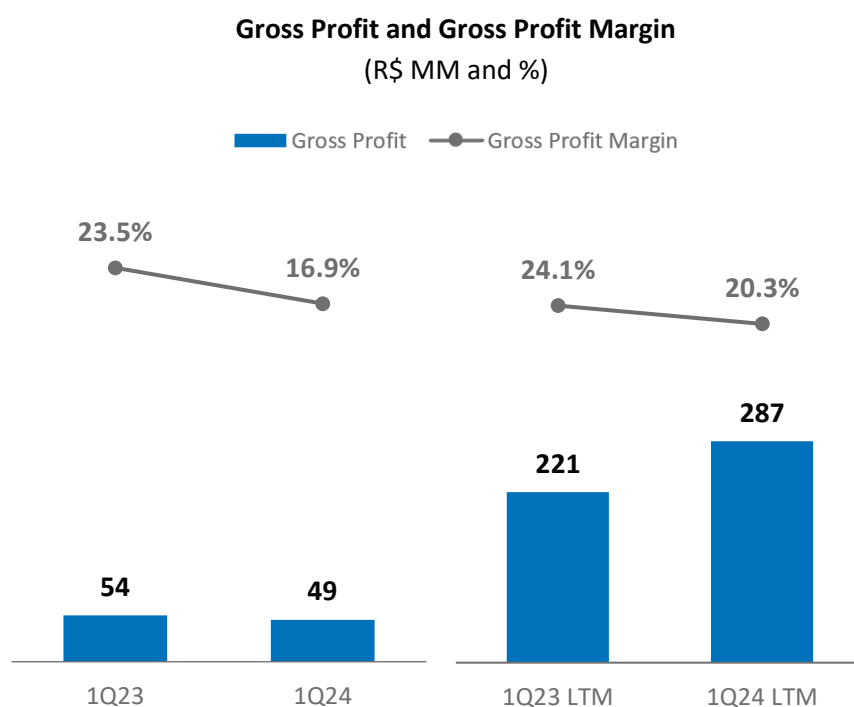


We continue to see great opportunities in the markets in which we operate, but we are prioritizing profitability over growth in the volume of launches, aiming to maintain a capital structure within our standards. We study market alternatives to make it possible to take advantage of market opportunities, but we will only move forward with them if we have these solutions. The message is: we will focus on the profitability of the business as a whole and growth in the economic segment.

At the beginning of the 2nd quarter of 2024, we already carried out two major launches, one in the city of Rio de Janeiro and the other in Nova Lima (metropolitan region of Belo Horizonte), both under the Patrimar brand. The total of these launches was R\$ 605 million (R\$ 447 million in %Patrimar). Between sales and firm reserves, we already have R\$387 million to recognize in 2Q24, which means 194% of total sales for the entire 1Q24 with these two projects alone. The other sales projects and new launches to be carried out will add to these numbers, demonstrating the strength of the market, absorption of our products, growth in the profitability of our business and cash generation.

Profitability

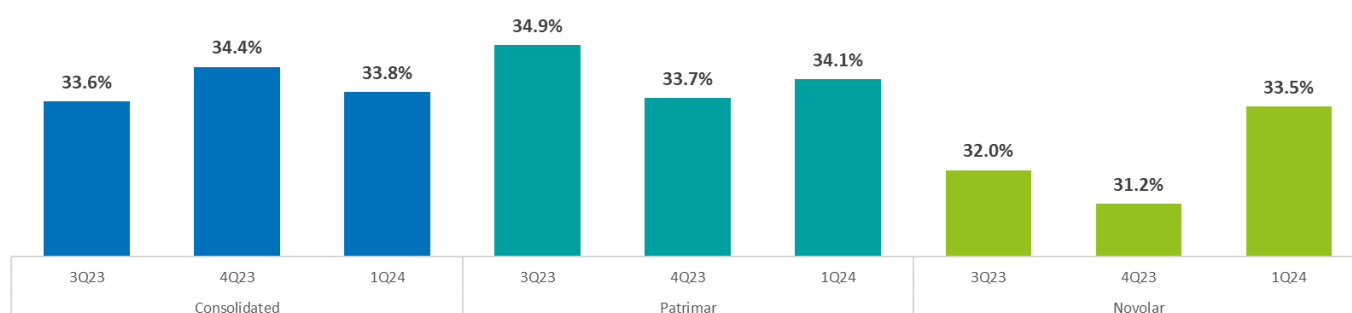
Our profitability in the first quarter of 2024 was lower than in other periods, basically due to a Patrimar project, already delivered on that date. As stated above, this project caused a loss of R\$16.7 million in 1Q24. Without this loss, our gross margin would have been 22.7% in 1Q24 (6.0 pp above profitability) and would have increased by 1.1 pp over 4Q23.



Additionally, we had a higher volume of cancellations in monetary values this quarter – few units, but of high value. The impact of cancellations on the gross result of 1Q24 was R\$10.4 million, or 3.1 pp on the gross margin. Of the canceled units, 36% had already been resold by the end of April, with a sales value 5% above the canceled sale. This factor indicates that the movement in 1Q24 was punctual and the results for the year 2024 should not be impacted.

The gross margin on sales in recent quarters indicates a recovery in profitability.

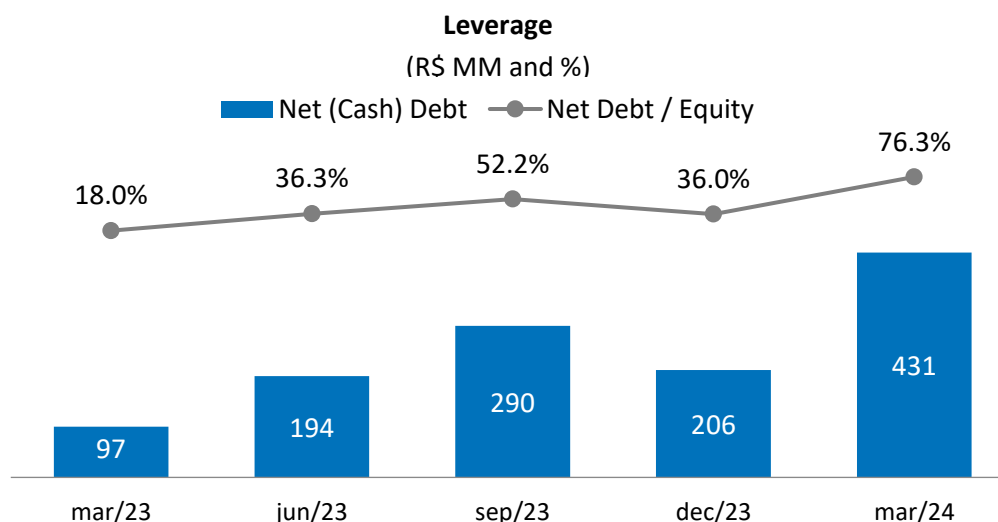
Gross and Adjusted Margin



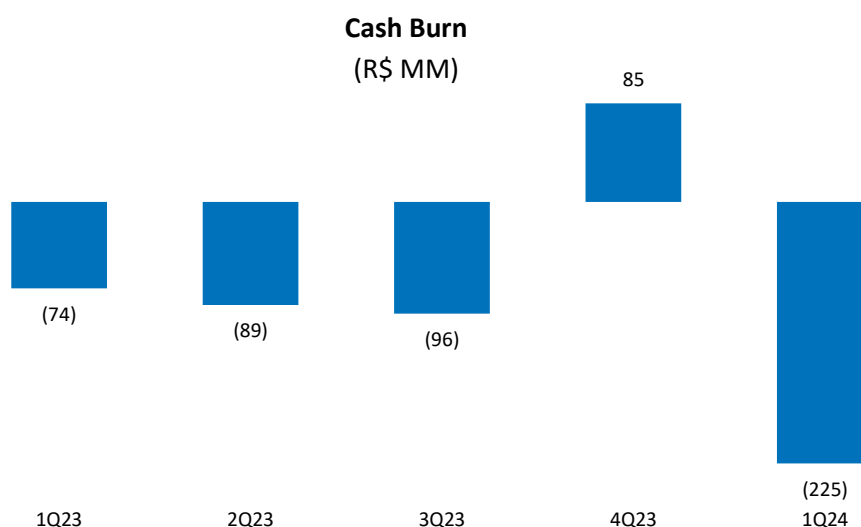
In addition to the factors described above, as the first quarter has a lower volume of launches and a lower volume of construction progress compared to the other quarters of the year, the representation of expenses increases, which generated a negative result in this quarter. The strong turnover already experienced in April and early May 2024 indicates a strong 2Q24 and profitability recovery.

Leverage, Liquidity and Financial Discipline

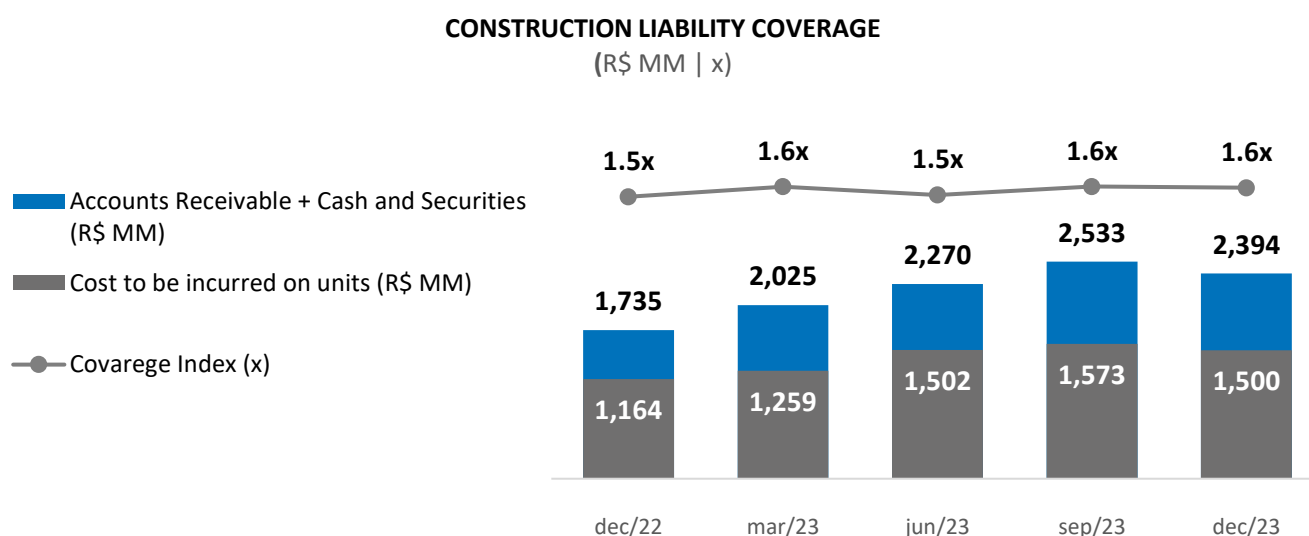
Given the seasonal history of a weaker sales volume and a more restrained progress in construction in 1Q24, leverage was already expected to increase. We are confident that these volumes will be reduced throughout the year to levels close to those we saw in 2023, both due to the growth in PL and the increase in cash generation.



Cash burn was impacted by the distribution of resources from SPEs in which we have partners, whose works were closed in 1Q24. These SPEs no longer had debts. The volume of SPEs that Patrimar has as partners is significantly reduced and the expected launch for 2024 includes only one project of which we will be non-controlling.



We currently have a total of approximately R\$855 million in PSV worth of works that will be completed in the next twelve months, of which 82% are currently sold. By the end of 2025 there are R\$1.106 billion in receivables, considering the construction schedules.



Construction liability coverage remains healthy.

The Company continues to be attentive to market opportunities with a view to generating liquidity, lengthening its liability profile and reducing costs. The fifth issue of debentures, completed in May 2024, corroborates this thought (see Subsequent Events below).

Other relevant topics

INCOME STATEMENT (R\$ M, unless otherwise indicated)	CONSOLIDATED	PATRIMAR	NOVOLAR	CORPORATE
Net operating revenue	290,219	218,298	71,920	-
Cost of properties sold	(241,308)	(187,187)	(54,121)	-
Gross profit	48,911	31,112	17,800	-
Gross profit margin	16.9%	14.3%	24.7%	-
Operating income (expenses)	(43,982)	(17,966)	(15,918)	(10,098)
Finance income (costs), net	(2,834)	8,661	2,960	(14,454)
Equity in the results of investees	(444)	283	(727)	-
Profit (loss) before income tax and social contribution	1,651	22,090	4,114	(24,552)
Income tax and social contribution	(8,595)	(6,820)	(1,775)	-
Profit (loss) for the period	(6,944)	15,270	2,339	(24,552)
Net Profit Margin	-2.4%	7.0%	3.3%	-

Subsequent Events

Dividends

On April 29, 2024, the 2023 accounts of the administrators were approved at the Ordinary General Meeting and the allocation of R\$16,550 was decided, referring to dividends to shareholders holding shares issued by the Company. With R\$12,265 as mandatory minimum dividends and R\$4,285 to be distributed as extraordinary dividends, both amounts were paid on May 10, 2025.

5th emission of company debenture

At a meeting held on April 8, 2024 ("RCA"), the Board of Directors of PATRIMAR ENGENHARIA S.A approved the 5th (fifth) issue of simple debentures, not convertible into shares, in up to two series, unsecured, for private placement in the total value of R\$200,000,000.00 (two hundred million reais). 200,000 (two hundred thousand) Debentures were issued, with a unit value of R\$ 1,000.00 (one thousand reais), and fully subscribed privately by VIRGO COMPANHIA DE SECURITIZAÇÃO with the issuance of 200,000 certificates of real estate receivables ("CRI"), in the unit value of R\$1,000.00, on the same basis as the remuneration of the Debentures.

The debentures and CRIs were issued in two series, with (i) R\$131,119,000.00 (one hundred and thirty-one million, one hundred and nineteen thousand reais) corresponding to the First Series; and (ii) R\$68,881,000.00 (sixty-eight million, eight hundred and eighty-one thousand) corresponding to the Second Series. On the Nominal Unit Value or balance of the Nominal Unit Value of the First Series, interest will be levied corresponding to 100.00% (one hundred percent) of the accumulated variation of the DI Rate, exponentially increased by a surcharge of 1.40% (one integer and forty hundredths of a percent) per year, based on 252 (two hundred and fifty-two) Business Days, calculated exponentially and cumulatively pro rata temporis by Business Days elapsed from the first Payment Date, or from the immediately preceding Payment Date, until the Subsequent Payment Date. On the Nominal Unit Value or balance of the Nominal Unit Value of the Second Series, remunerative interest corresponding to 114.00% (one hundred and fourteen percent) of the accumulated variation of the DI Rate for the base year 252 (two hundred and fifty-two) Business Days will be levied.

The Debentures and CRIs will have a term of 1,826 days, counting from the date of issue and will be settled on May 10, 2024.

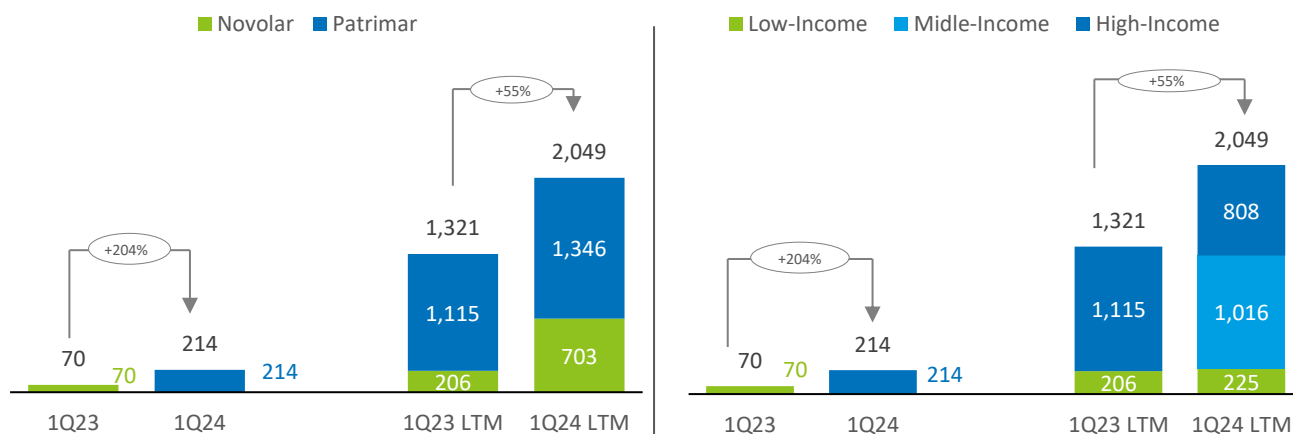
Operational Performance

Launches

Taking advantage of our flexibility of brands, products and geographies, we focused our launches on the Patrimar brand in 1Q24, reaching the highest historical value in this indicator both for a first quarter and for the last twelve months.

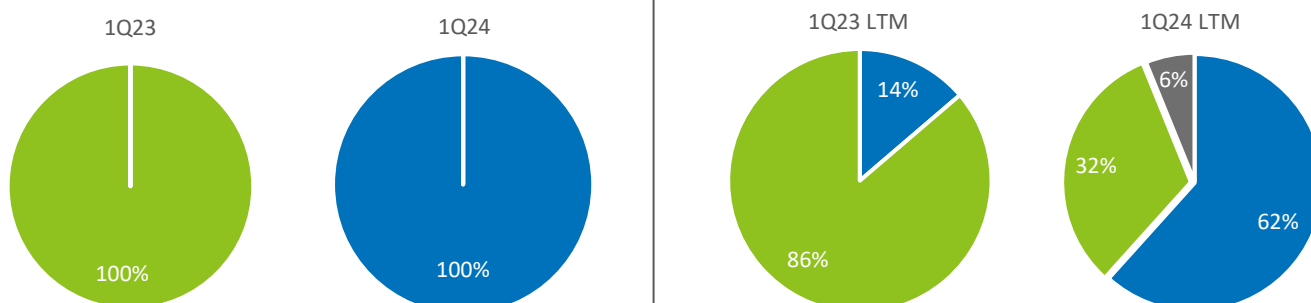
The % Patrimar in launches in 1Q24 was 76%.

LAUNCHES 100% (R\$ MM)



LAUNCHES 100%, BY REGION

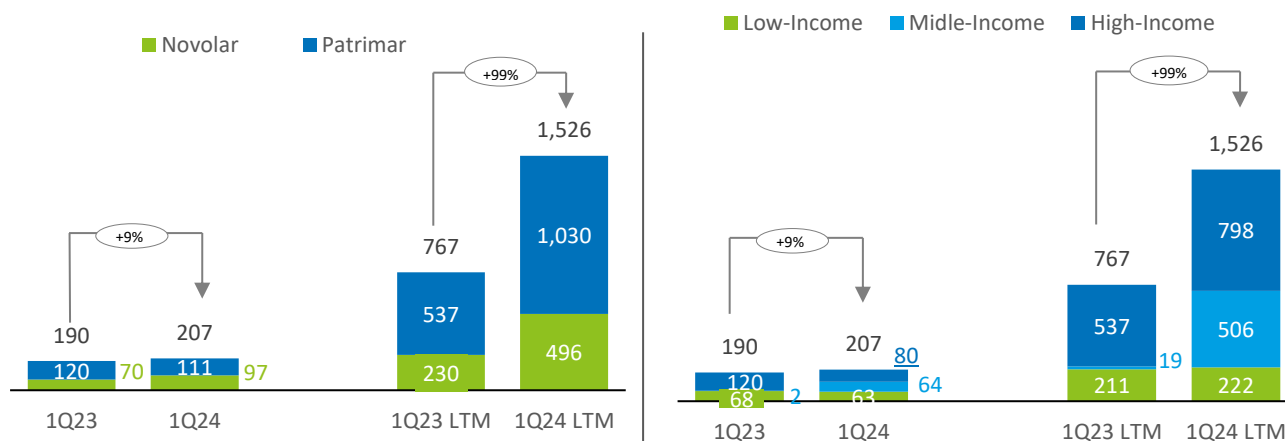
Legend: Minas Gerais (Blue), Rio de Janeiro (Green), São Paulo (Grey)



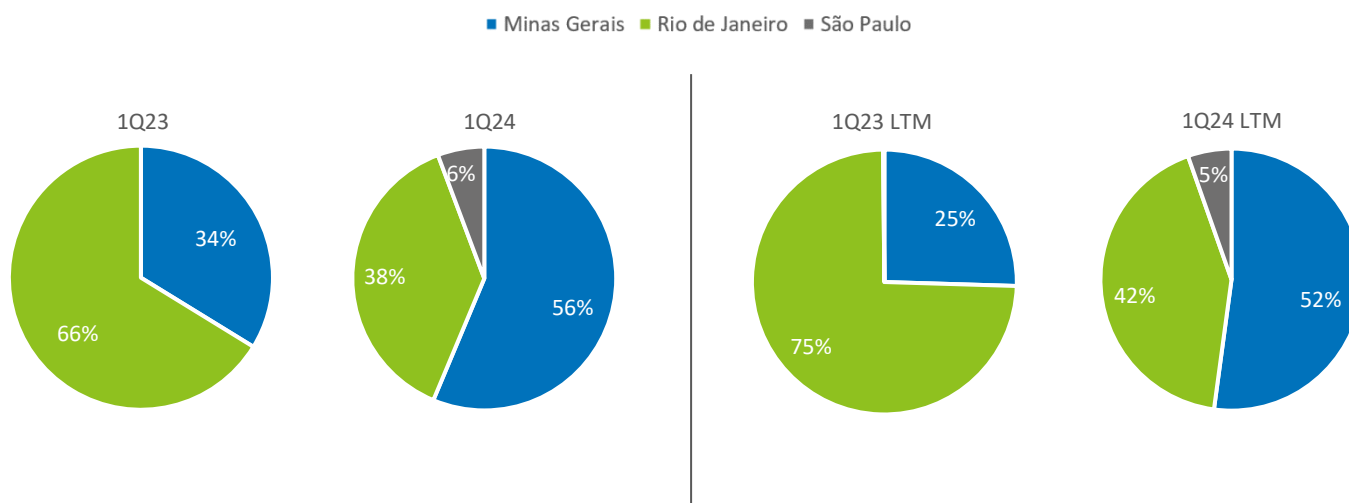
The increase in sales in approximately 1Q24 compared to 1Q23 contributed to the growth on an annual basis, reaching the highest sales volume for a twelve-month period in the company's history. Growth in the quarter was very strong in the Novolar brand, taking advantage of the good momentum in the economic and middle-income segments, supported by positive expectations with the advance of social housing programs and the reduction in interest rates.

The % Patrimar in Net Sales in 1Q24 was 91%.

NET SALES 100% (R\$ MM)

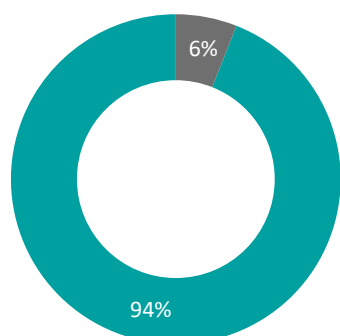


NET SALES 100%, BY REGION

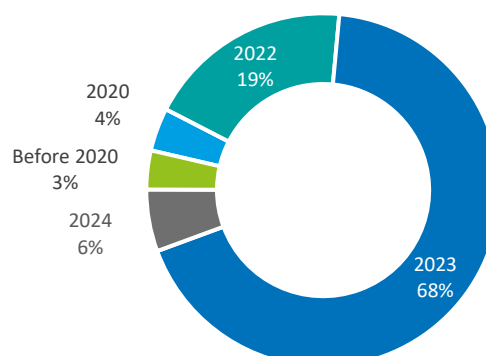


1Q24 SALES SOURCE

■ Launches ■ Inventory

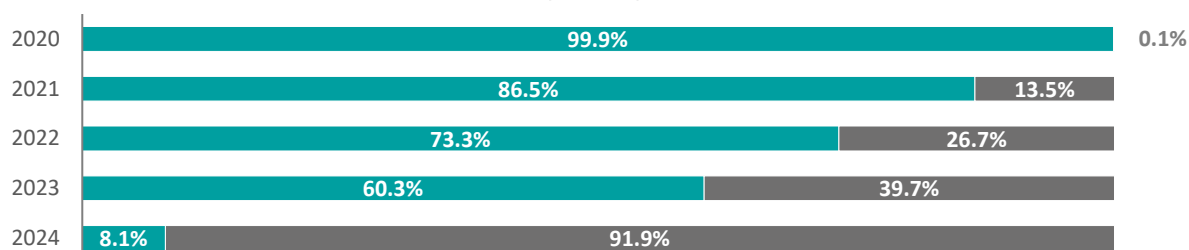


1Q24 SALES SOURCE BY LAUNCH SEASON



LAUNCH SEASON

■ % sold ■ % for sale



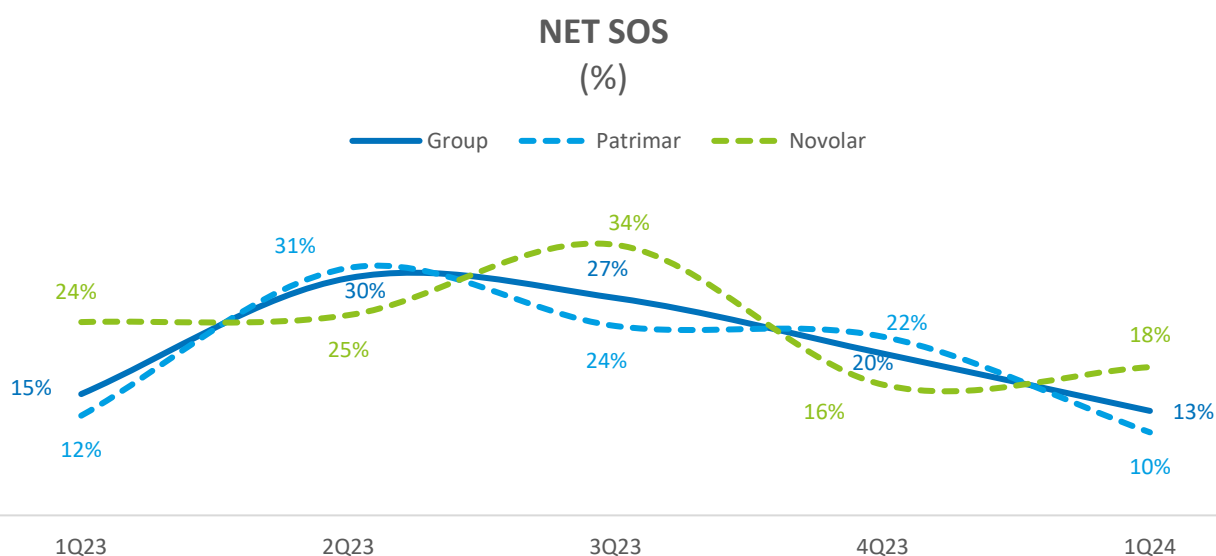
Although sales performance was weaker at the beginning of 1Q24, we started 2Q24 with a significant volume. Last weekend, Icon Golf was launched in Rio de Janeiro, with a 100% PSV of R\$ 470 million, with 90% already sold at the beginning of this week, an amazing performance that reinforces the quality of our products and sales team.

Net Contracted Sales(R\$ '000)	1Q24 (a)	1Q23 (b)	Δ% (a/b)	1Q24 LTM (c)	1Q23 LTM (d)	Δ% (c/d)
PSV 100% (R\$ thousand)	207,321	190,151	9%	1,526,198	766,740	99%
Patrimar	110,620	120,336	-8%	1,030,336	536,727	92%
High-income	80,004	120,336	-34%	798,374	536,727	49%
Middle-income	30,615	-	0%	231,962	-	0%
Novolar	96,701	69,814	39%	495,862	230,013	116%
Middle-income	33,286	1,956	1602%	273,847	18,935	1346%
Low-income	63,415	67,858	-7%	222,015	211,078	5%
PSV % Patrimar (R\$ thousand)	188,810	151,800	24%	1,314,177	677,636	94%
Patrimar	92,729	95,404	-3%	810,286	465,070	74%
High-income	62,113	95,404	-35%	578,324	465,070	24%
Middle-income	30,615	-	0%	231,962	-	0%
Novolar	96,081	56,396	70%	503,891	212,566	137%
Middle-income	32,473	1,369	2272%	270,246	15,892	1601%
Low-income	63,608	55,027	16%	233,646	196,674	19%
Units Contracted	370	364	2%	1,898	1,223	55%
Patrimar	52	34	53%	405	174	133%
High-income	19	34	-44%	194	174	11%
Middle-income	33	-	0%	211	-	0%
Novolar	318	330	-4%	1,493	1,049	42%
Middle-income	75	4	1775%	589	38	1450%
Low-income	243	326	-25%	904	1,011	-11%
Average Price (R\$ thousand/unit)	560	522	7%	804	627	28%
Patrimar	2,127	3,539	-40%	2,544	3,085	-18%
High-income	4,211	3,539	19%	4,115	3,085	33%
Middle-income	928	-	0%	1,099	-	0%
Novolar	304	212	44%	332	219	51%
Middle-income	444	489	-9%	465	498	-7%
Low-income	261	208	25%	246	209	18%

SOS – Sales over Supply – (Sales Speed)

The decrease in VSO in 1Q24 compared to 1Q23 and 4Q23 was due to the weaker sales performance in January and February and a higher volume of launches than sales in this quarter.

In the last twelve months, our VSO is still quite healthy at 53.4%, 10.4 p.p. above the same period ended in 1Q23.

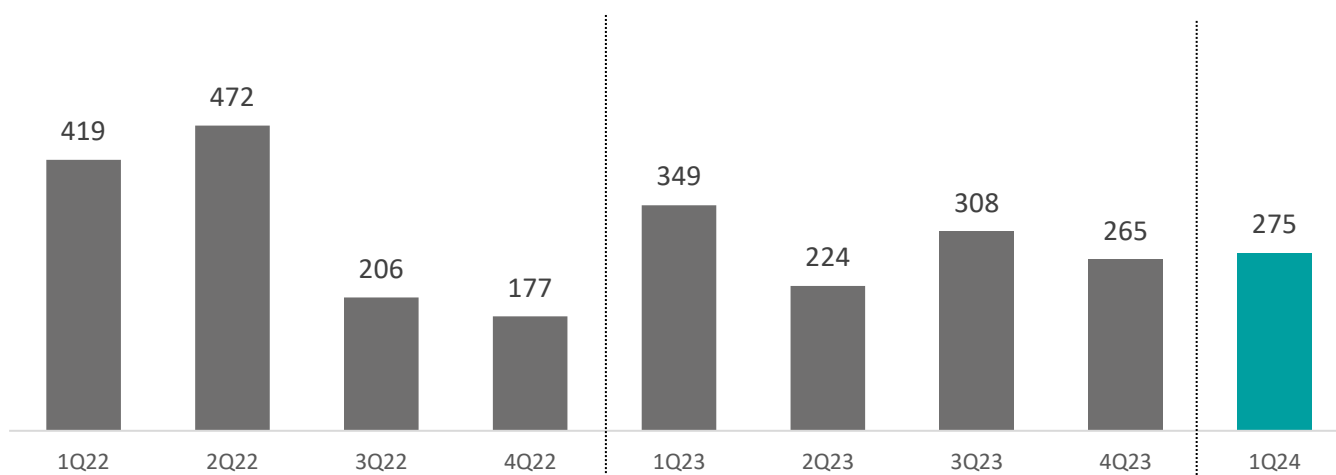


Sales Speed	4Q22	1Q23	2Q23	3Q23	4Q23
SOS Group (%)	15%	30%	27%	20%	13%
SOS Patrimar (%)	12%	31%	24%	22%	10%
Sales Patrimar	120,336	376,704	279,524	263,488	110,620
Offer Patrimar	967,516	1,282,818	1,263,900	1,212,879	1,125,378
Opening Stock	967,516	859,559	855,230	912,901	911,151
Launches	-	423,258	408,670	299,978	214,227
SOS Novolar (%)	24%	25%	34%	16%	18%
Sales Novolar	69,814	84,037	210,753	104,371	96,701
Offer Novolar	289,604	337,295	635,487	640,153	522,867
Opening Stock	219,161	223,465	328,705	357,725	522,867
Launches	70,443	113,830	306,782	282,427	-

Transfers

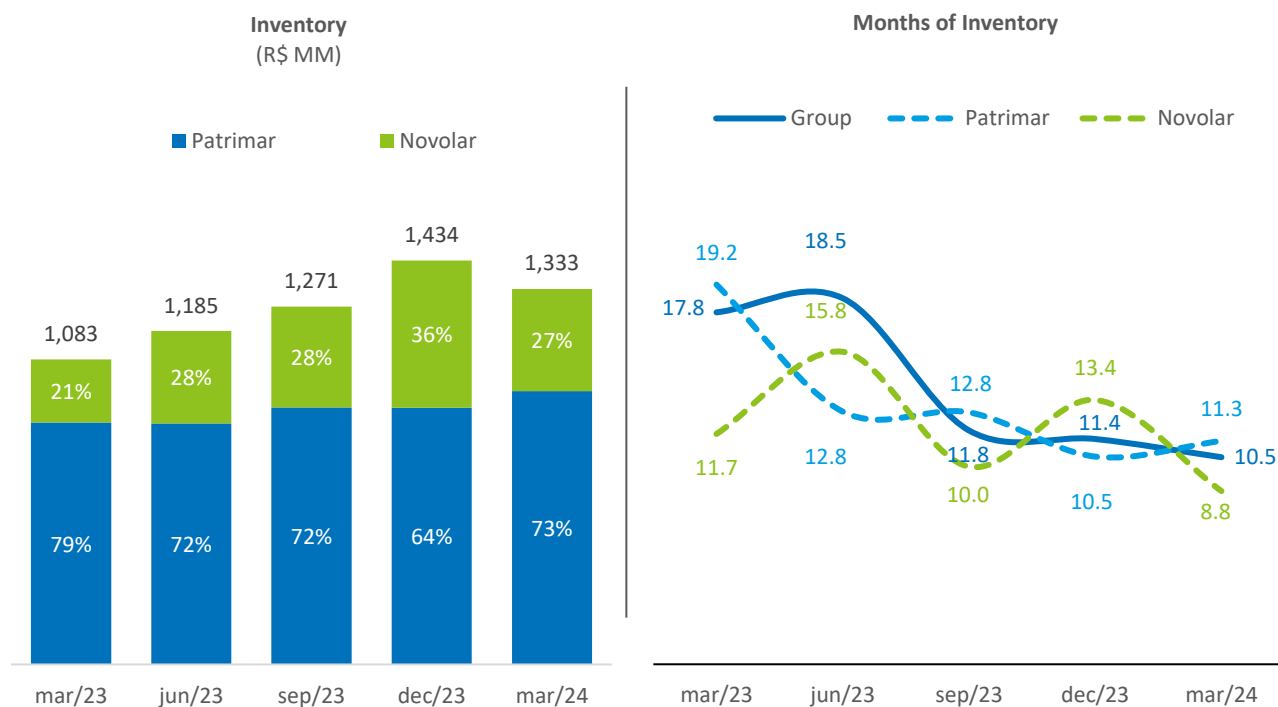
We recorded a 3.8% increase in the volume of transfers compared to 4Q23, but 21.2% lower than in 1Q23. Despite this, we generated R\$77.4 million in pass-through value, 27.8% more than in 1Q23, given the stock available for on-lending with a higher ticket.

TRANSFERS

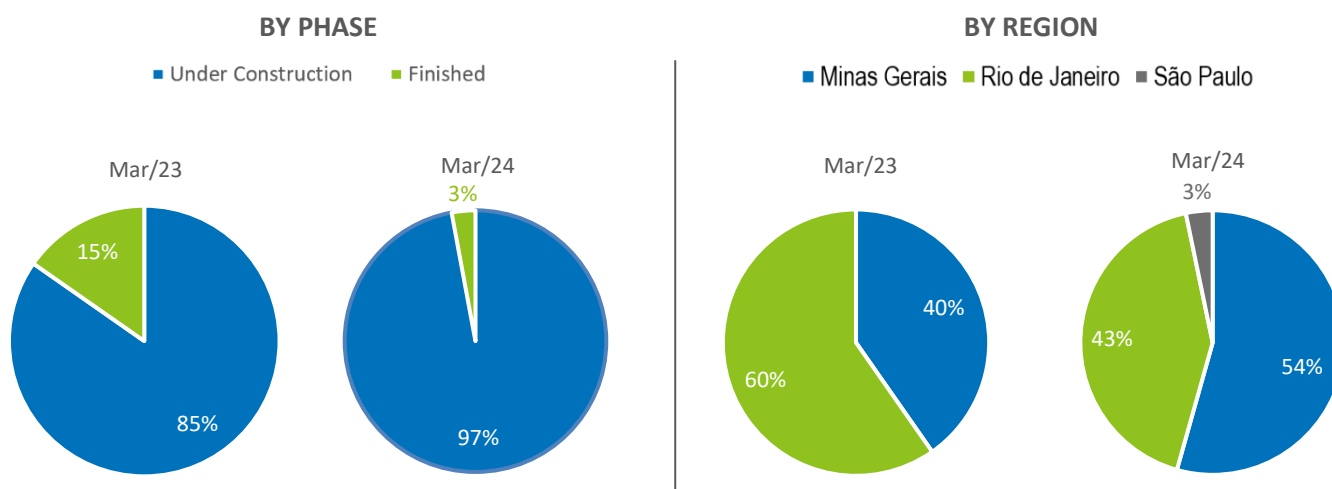


Inventory

With a good absorption of our products by the market, we continue to work with an increasingly lean inventory level for the level of the operation.



We achieved a 3% completed inventory level, corroborating our sales strategy throughout the construction of the projects.



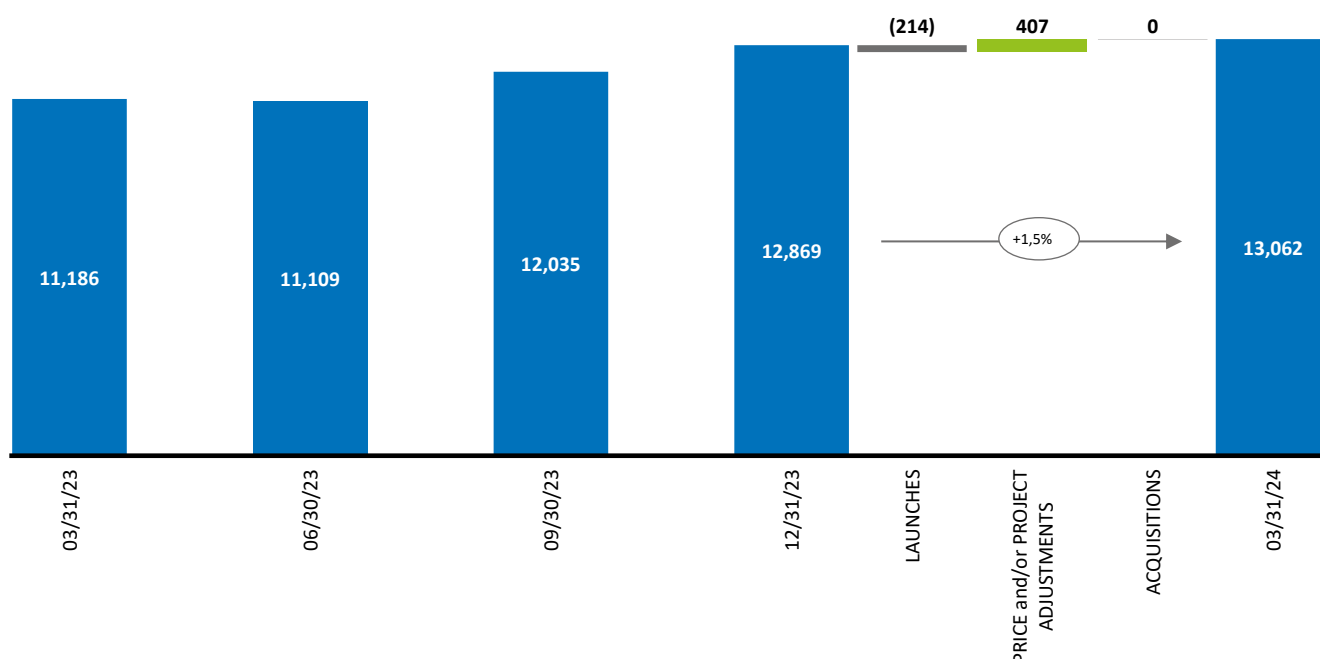
LandBank

Surpassing R\$ 13 billion, 1.5% above the closing position of 2023 (16.8% higher than the first quarter of last year), we achieved the best Landbank position (100%) in the company's history.

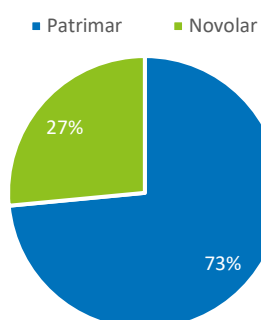
The increase compared to 12/31/2023 is due, in large part, to price adjustments in all income levels in which we operate in order to capture the variation of the INCC for the period as well as adjustments to specific projects. Compared to the same period last year, the higher evolution reflects the company's strategy to grow economic products and diversify geographically, in Rio de Janeiro and the interior of São Paulo.

The Patrimar Group's % in Landbank is 74.7%.

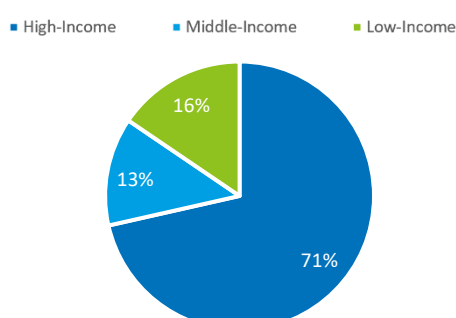
LANDBANK 100%



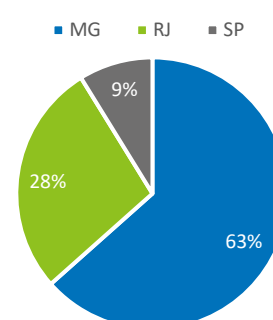
BY COMPANY



BY OPERATION



BY REGION



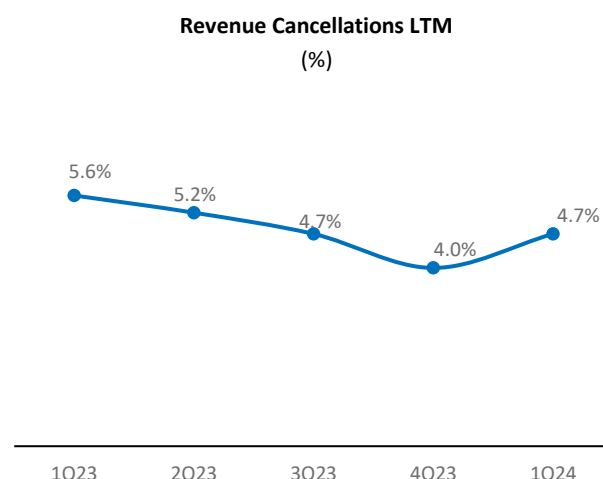
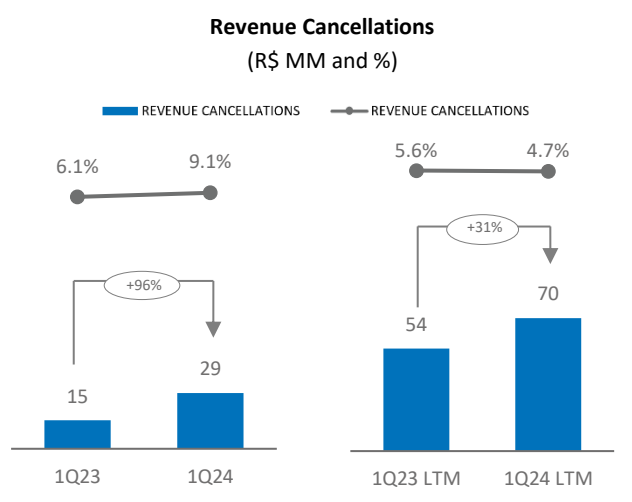
Financial Performance

Net Revenue

Net Operation Revenue (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Gross revenue from properties sales	324,050	245,752	31.9%	1,487,498	964,991	54.1%
Service Revenue	905	468	93.4%	6,936	8,632	-19.6%
Gross Revenue	324,955	246,220	32.0%	1,494,434	973,623	53.5%
Canceled Sales	(29,403)	(14,998)	96.0%	(70,403)	(53,934)	30.5%
Allowance for doubtful account	(910)	(664)	37.0%	(3,167)	(3,773)	0.0%
Provision (reversal) for contract terminations	969	384	152.3%	426	122	249.2%
AVP - Adjustment to present value	(98)	3,370	-102.9%	21,658	13,114	65.2%
Deduction and taxes	(5,294)	(4,385)	20.7%	(27,157)	(17,396)	56.1%
Net revenue	290,219	229,927	26.2%	1,415,791	914,868	54.8%

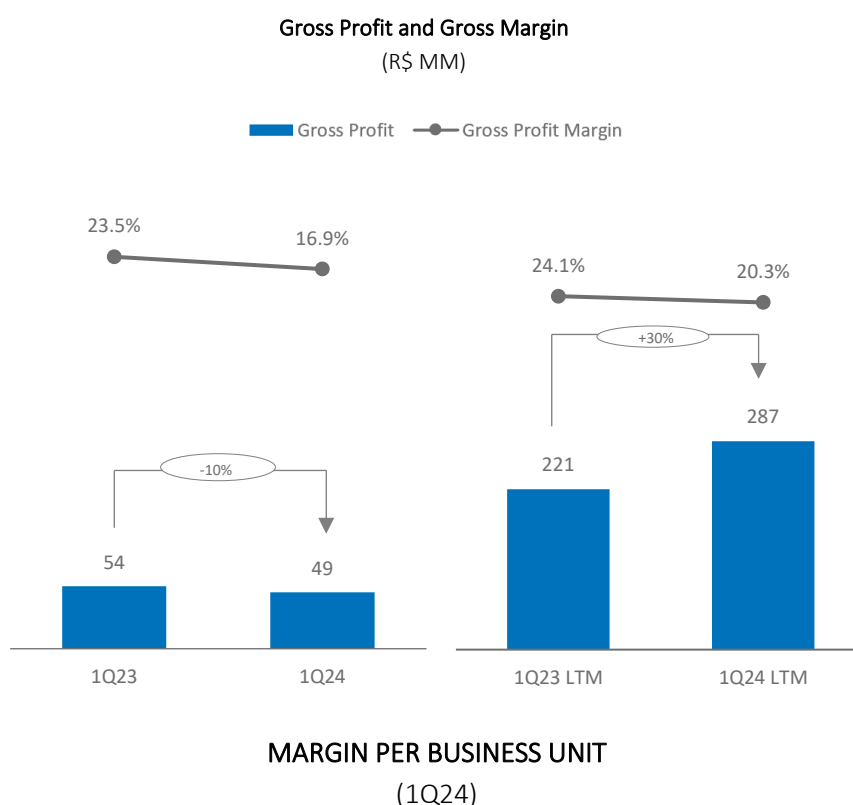
The Growth in Net Revenue in 1Q24 when compared to 1Q23, is explained by sales and construction activity, combined with an increasing volume of sales between periods.

Within the cancellations, approximately 20% refer to upgrades/downgrades in the Group's own properties.



Gross Profit and Gross Margin

As already mentioned in the Management Message above, the gross margin in 1Q24 was impacted by two main factors: i) problems with suppliers in a Patrimar project, which generated an effect of R\$ 16.7 million in the quarter and ii) volume of cancellations in R\$ above the other quarters due to the value of the canceled units, impacting R\$ 10 million on gross profit in the quarter. Excluding these two effects, the consolidated gross margin for the quarter would be 25.7%.



INCOME STATEMENT (R\$ M, unless otherwise indicated)	CONSOLIDATED	PATRIMAR	NOVOLAR
Net operating revenue	290,219	218,298	71,920
Cost of properties sold	(241,308)	(187,187)	(54,121)
Gross profit	48,911	31,112	17,800
Gross profit margin	16.9%	14.3%	24.7%

Operational Expenses

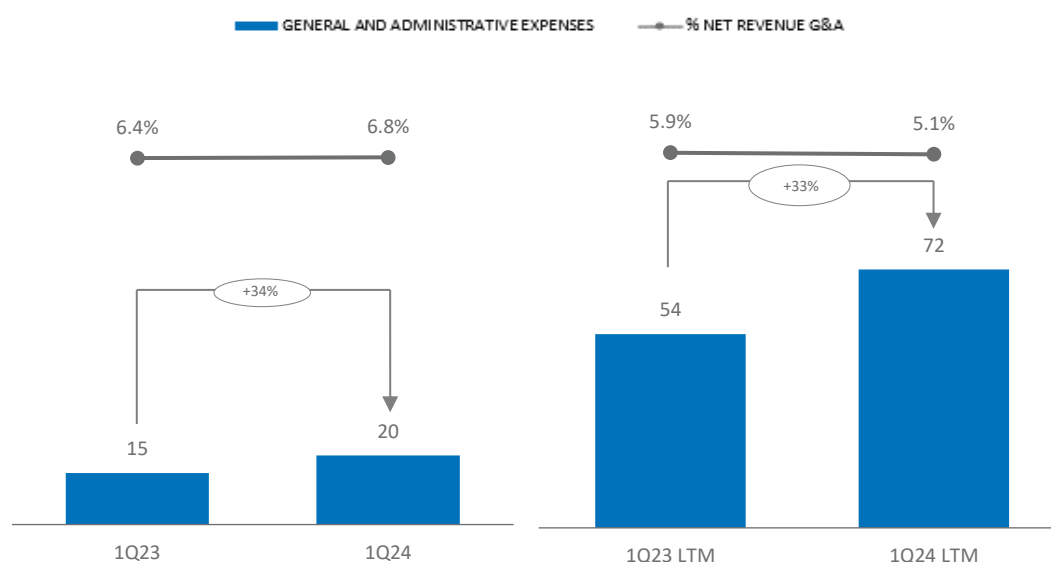
Operating Expenses (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
General and administrative expenses	19,723	14,703	34.1%	71,751	53,926	33.1%
Selling expenses	25,913	16,442	57.6%	106,912	68,662	55.7%
Other operating revenues (expenses)	(1,654)	1,353	-222.2%	5,920	2,337	153.3%
Total	43,982	32,498	35.3%	184,583	124,925	47.8%
% of ROL	15.2%	14.1%	1.0 p.p.	13.0%	13.7%	-0.6 p.p.

General and Administrative Expenses (G&A)

General and Administrative Expenses (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Personnel Expenses	12,322	8,683	41.9%	40,786	32,018	27.4%
General administrative expenses	2,525	1,907	32.4%	10,502	5,787	81.5%
Depreciation and amortization	1,461	1,600	-8.7%	6,378	6,901	-7.6%
Third-party services	3,415	2,513	35.9%	14,085	9,220	52.8%
Total	19,723	14,703	34.1%	71,751	53,926	33.1%
% of ROL	6.8%	6.4%	0.4 p.p.	5.1%	5.9%	-0.8 p.p.

The increase in general and administrative expenses is the result of continuous investments that have been made to improve business management. Despite this, the ratio of G&A expenses to net revenue remains low and with the evolution of the business in the coming quarters, this number should reduce.

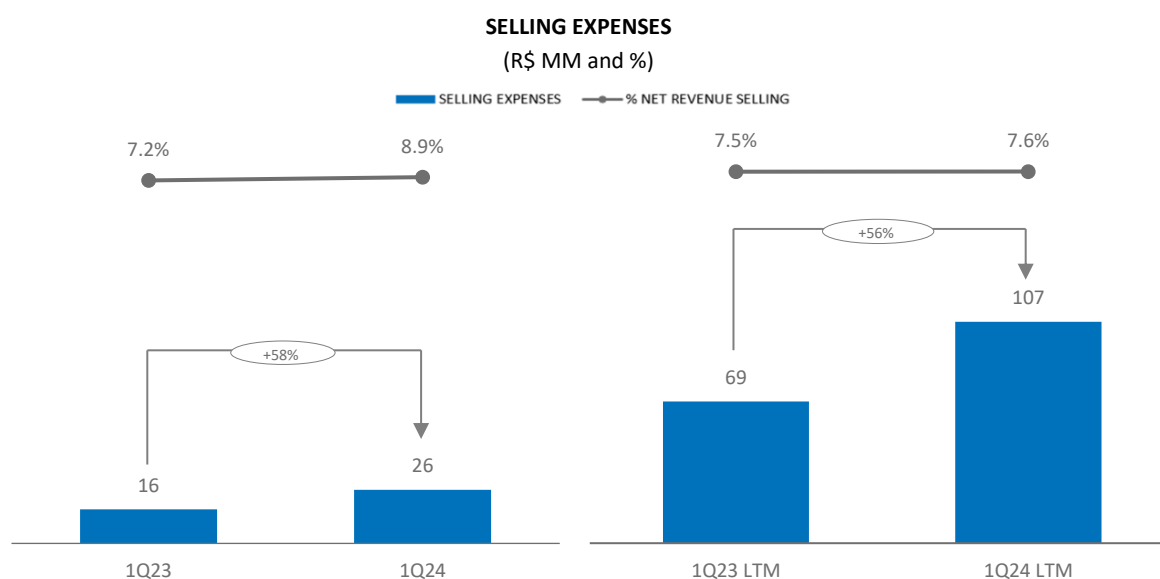
GENERAL AND ADMINISTRATIVE EXPENSES (G&A) (R\$ MM and %)



Commercial Expenses

Commercial Expenses (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Personnel Expenses	1,707	1,203	41.9%	6,662	5,443	22.4%
Commissions and Brokerages	8,341	5,301	57.3%	32,977	21,494	53.4%
Sales stabs/ decorated apartments	4,102	3,209	27.8%	18,523	10,436	77.5%
Advertising	5,994	4,336	38.2%	30,450	22,215	37.1%
Other commercial expenses	5,769	2,393	141.1%	18,300	9,074	101.7%
Total	25,913	16,441	57.6%	106,912	68,662	55.7%
% of ROL	8.9%	7.2%	1.8 p.p.	7.6%	7.5%	0.0 p.p.

The increase in commercial expenses is mainly due to increases in brokerage, as a result of a greater volume of sales in all segments, added by growth in investments in advertising and advertising in projects, as a result of a greater number of projects launched in the year.



Other Operational Expenses / Revenues

Other Operating Expenses / Revenues (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Real Estate loan expenses	2	6	-66.7%	17	8	112.5%
Tax Expenses	312	234	33.3%	437	913	-52.1%
Provision for contingencies	1,009	2,443	-58.7%	10,043	2,339	329.4%
Eventual losses	25	15	66.7%	778	272	186.0%
Gain on Investments	-	-	-	237	-	-
Gain on contract termination	(1,918)	(478)	301.3%	(3,326)	(319)	944.2%
Gains or Losses from immobilized	607	-	0.0%	499	(377)	-232.4%
Other operating income and expenses	(1,691)	(867)	95.0%	(2,765)	(2,104)	31.4%
Total	(1,654)	1,353	-222.2%	5,920	733	708.0%
% of ROL	-0.6%	0.6%	-1.2 p.p.	0.4%	0.1%	0.3 p.p.

The positive result of other operating income basically refers to gains from cancellations in the first quarter of 2024, compared to 1Q23, due to lower provisions for losses in legal proceedings and a gain in other income referring to tax credits and expense reimbursements for partners.



Financial Income

Financial Income	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Monetary adjustment and contractual interest	1,768	853	107.3%	4,271	3,416	25.0%
Interest on financial investments	12,120	11,605	4.4%	46,256	44,435	4.1%
Other Financial Results	185	197	-6.1%	707	1,636	-56.8%
Total	14,073	12,655	11.2%	51,234	49,487	3.5%
Financial Expenses	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Interest on loans and financing	(15,393)	(10,889)	41.4%	(54,024)	(39,414)	37.1%
Debits from bank charges and fees	(1,513)	(494)	206.3%	(6,812)	(1,812)	275.9%
Other Financial Expenses	(1)	(8)	-87.5%	11	(157)	-107.0%
Total	(16,907)	(11,391)	48.4%	(60,825)	(41,383)	47.0%
Financial Result	(2,834)	1,264	-324.2%	(9,591)	8,104	-218.3%

The drop in the financial result is basically due to the higher volume of interest on loans and financing, especially due to the CRI funding in October 2023.

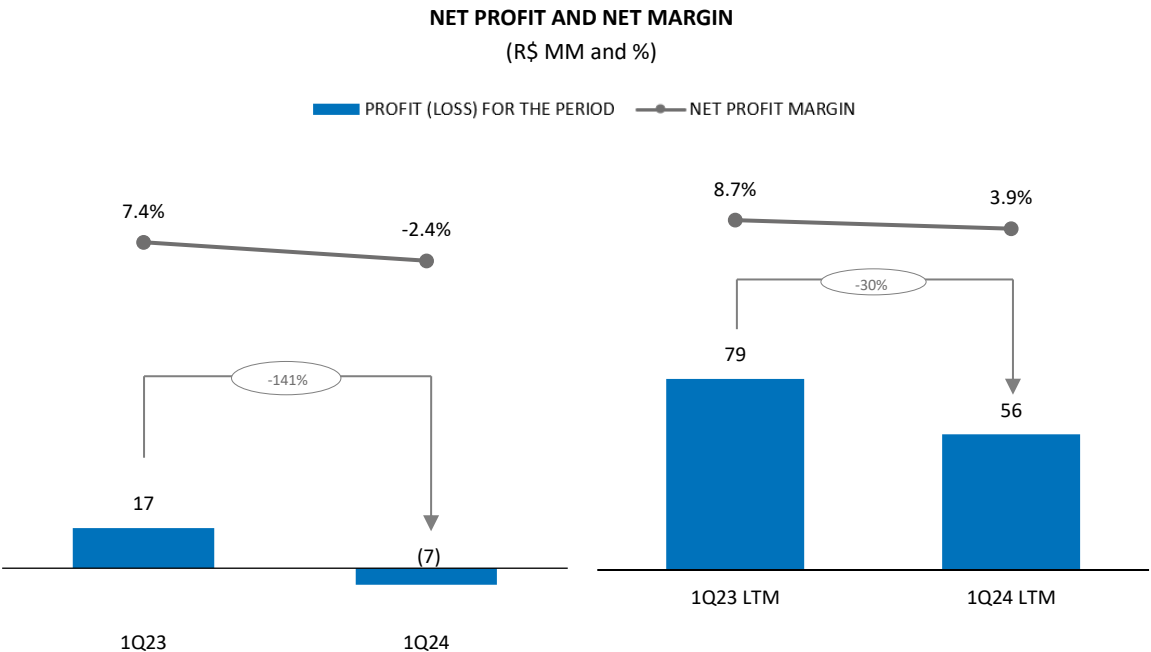
Equity Result

Equity Result	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Equity Result	(444)	(674)	-34.1%	(2,655)	(4,042)	-34.3%

Our equity equivalence result is less and less impacted by the problems linked to the construction of the economic operation in the past.



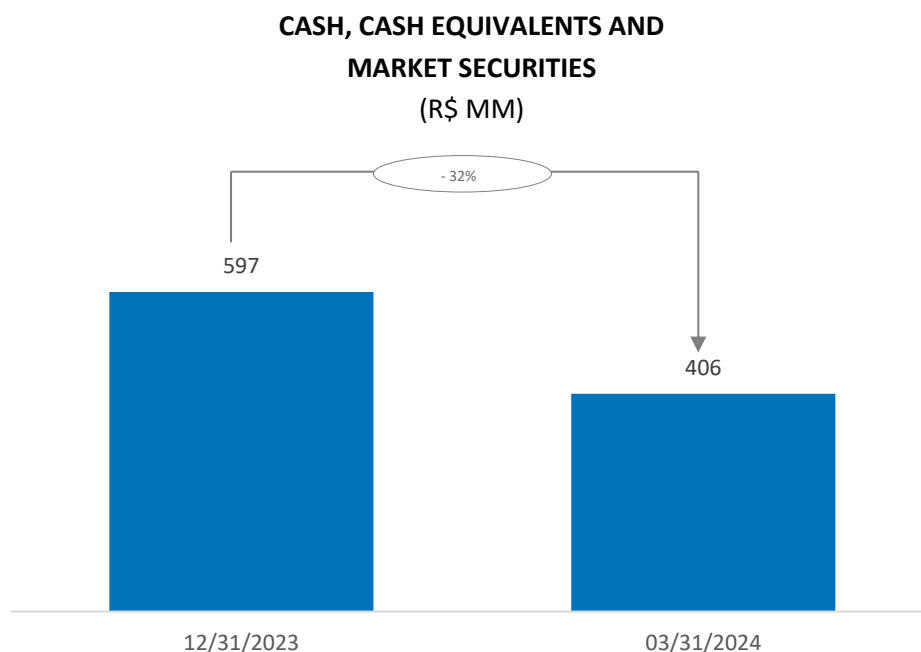
Net Profit and Net Margin



Our results and net margins, therefore, ended up reflecting the challenges mentioned above, especially in this first quarter and consequently also the last twelve months. The second quarter has already started stronger and we expect better results throughout the remaining quarters, as a result of higher sales, better margins and greater cost and expense control.

Balance Sheet Highlights

Cash, Cash Equivalents and Market Securities



The reduction in our Cash, Cash Equivalents and Market Securities at the end of March compared to the end of the year is due to the cash burn registered, due to investments in the operation and lower inflow of new sales in the quarter.

Accounts Receivable

Accounts Receivable (R\$ '000)	03/31/2024	12/31/2023	Δ %
Completed units	79,980	101,382	-21.1%
Units under construction	794,252	710,579	11.8%
Management Services	19,005	18,100	5.0%
Provision for canceled sales/ losses/ PVA	(57,623)	(57,783)	-0.3%
Total	835,614	772,278	8.2%

The growth in the balance of accounts receivable is mainly the result of the increase in sales in line with the progress of works.

The balance of accounts receivable from units sold and not yet completed is not fully reflected in the balance sheet, since its recording is limited to the portion of revenue recognized in accounting for the progress of works, net of installments already received.

Below are the accounts receivable from the Group's financial customers, which do not reflect the accounting balance of the projects.

Accounts Receivable (R\$ '000)	03/31/2024	12/31/2023	Δ %
Due within 1 year	459,532	460,399	-0.2%
Due 1 to 2 years	552,643	395,191	39.8%
Due 2 to 3 years	533,718	652,032	-18.1%
Due 3 to 4 years	372,245	352,517	5.6%
Due over 4 years	6,112	6,887	-11.3%
	1,924,250	1,867,026	3.1%
Expired up to 1 year	39,665	48,026	-17.4%
Expired between 1 to 2 years	11,172	10,684	4.6%
Expired between 2 to 3 years	9,446	8,228	14.8%
Expired between 3 to 4 years	1,145	974	17.6%
Expired over 4 years	1,715	1,189	44.2%
	63,143	69,101	-8.6%
Total	1,987,393	1,936,127	2.6%

Properties for Sales

Properties for Sales (R\$ '000)	03/31/2024	12/31/2023	Δ %
Inventories of land	196,351	179,320	9.5%
Properties under construction	375,577	339,557	10.6%
Completed properties	7,138	12,316	-42.0%
Provision for canceled sales	506	1,153	-56.1%
Total	579,572	532,346	8.9%

The increase in the balance of properties for sale is the result of the increase in the stock of land ready for launch in 2024 and the progress in works and cancellations carried out in the quarter.

Advances from Customers

The variation in the balance of customer advances refers to the exchanges of projects that were launched and have subsequently been consumed by construction activity.

Advances from Customers (R\$ '000)	03/31/2024	12/31/2023	Δ %
Advances from costumers and barter transactions for construction in prog	384,574	399,527	-3.7%
Barter made for land - not launched developmpments	20,540	24,446	-16.0%
Total	405,114	423,973	-4.4%

Trade Payables

Trade Payables	03/31/2024	12/31/2023	Δ %
Trade payables	87,374	117,304	-25.5%
Technical retentions	14,797	13,446	10.0%
Total	102,171	130,750	-21.9%

The drop in the balance of suppliers is the result of less intense construction activity in the first quarter of the year, as normally occurs, due to the volume of rain and holidays that occur in this first part of the year.

Real Estate Purchase Obligations

Real estate purchase obligations (R\$ '000)	03/31/2024	12/31/2023	Δ %
Land developed	24,400	28,376	-14.0%
Physical swap	115	46	150.0%
Financial Exchange	24,285	28,330	-14.3%
Land not developed	23,833	26,583	-10.3%
Physical swap	23,833	26,583	-10.3%
Total	48,233	54,959	-12.2%

The drop in balances refers to land payments made in the period.

Net Debt/ Equity

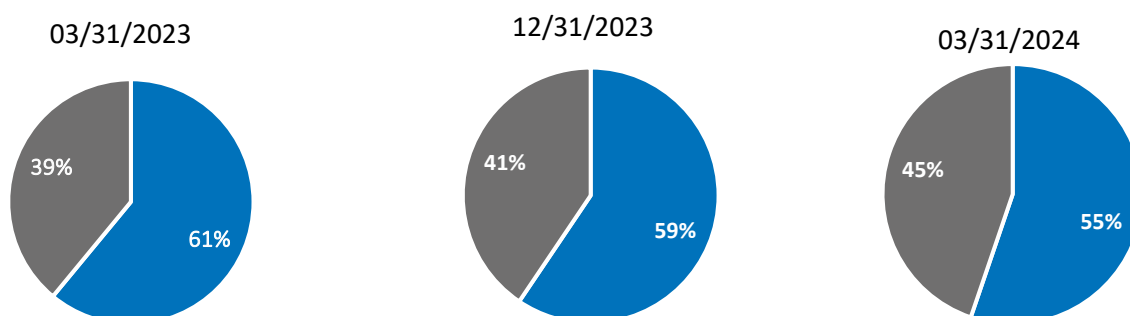
Net debt/ Equity (R\$ '000)	03/31/2024	12/31/2023	Δ %
Loans and Financing	837,202	802,876	4.3%
Debtenture/CRI and Commercial Paper	462,371	477,255	-3.1%
Construction Bonds	374,831	325,621	15.1%
(-) Cash and Cash Equivalent	406,451	597,106	-31.9%
(=) Net Debt	430,751	(205,770)	-309.3%
(/) Equity	564,546	571,490	-1.2%
(=)Net Debt/ Equity	76.3%	36.0%	40.3p.p.

As previously mentioned, the growth in debt is a reflection of the growth of the operation and the moment of the construction cycle in relation to the flow of receipts. The first quarter saw more work exits, despite the lower production volume than in the other quarters, but impacted by the lower volume of receipts, especially in the Minha Casa, Minha Vida operation. Furthermore, we had several resource agreements with our partners in some projects. Our expectation is to reduce leverage throughout the year through inflow of resources from sales and other sources.

In May 2024, we concluded the raising of another CRI that totaled R\$200 million, with a weighted cost 0.87 pp lower than the weighted average cost of our corporate debt at the end of the first quarter. Throughout the second quarter, we plan to settle some higher-cost operations in advance, reducing our gross debt and the weighted cost of our liabilities in March 2024.

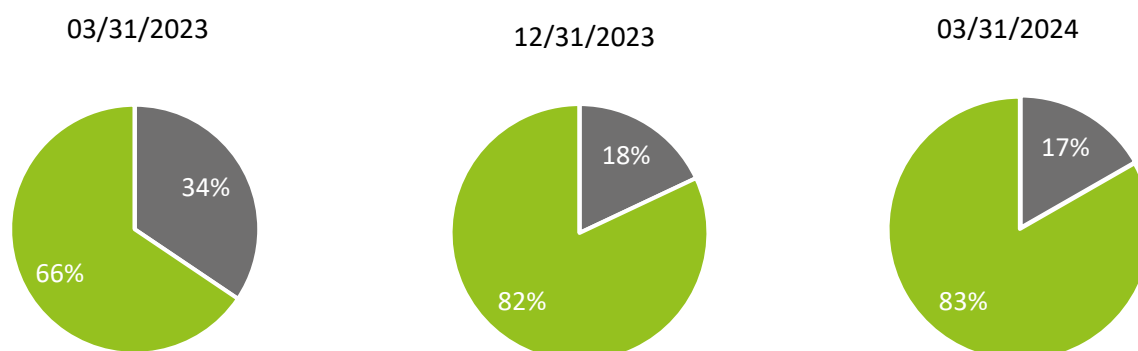
DEBT PROFILE, BY TYPE (%)

■ Bonds ■ Construction Bonds



DEBT INDEX

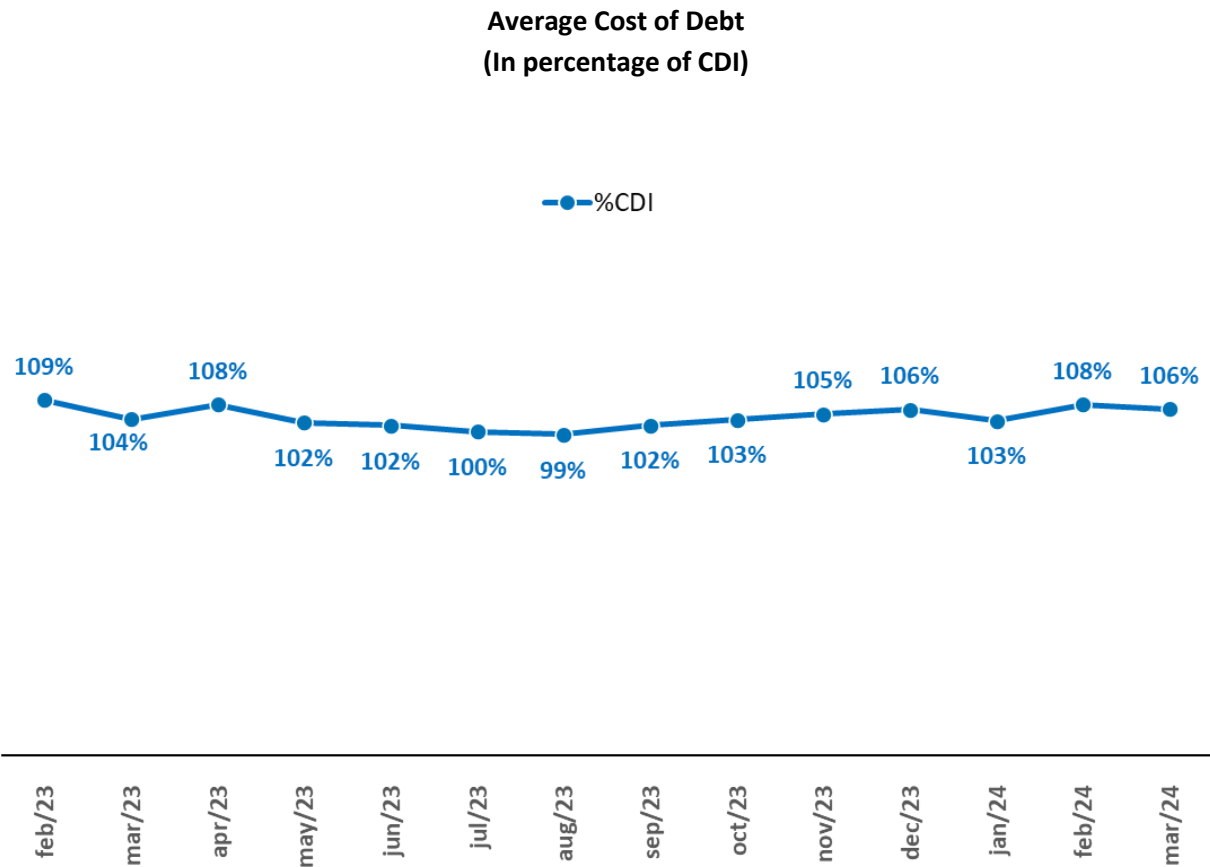
■ Poupança ■ Fixed



With the growth in the construction financing balance, due to the progress of works related to this growth cycle of the Company in recent years and with the fall in the SELIC, the proportional cost of our liabilities is increasing, as financing has a pre- fixed. The balance of our liabilities linked to the CDI, on March 31, 2024, was R\$ 462.3 million, for cash invested basically in CDI of R\$ 406 million. In other words, we have a natural hedge volume between both for interest rate fluctuations.



The average cost of construction financing recently raised is higher than the previous crop of funding. In other words, we expect an increase in the cost of financing over the coming periods.



Attachments

Income Statement

Income Statement (R\$ '000)	1Q24	1Q23	Δ %	1Q24 LTM	1Q23 LTM	Δ %
Net operating Revenue	290,219	229,927	26.2%	1,415,791	914,868	54.8%
Cost of properties sold	(241,308)	(175,811)	37.3%	(1,128,596)	(694,283)	62.6%
Gross profit	48,911	54,116	-9.6%	287,195	220,585	30.2%
Gross profit margin	16.9%	23.5%	-0.3 p.p.	20.3%	24.1%	-0.2 p.p.
Operating expenses	(44,426)	(33,172)	33.9%	(187,238)	(128,968)	45.2%
General and administrative expenses	(19,723)	(14,703)	34.1%	(71,751)	(53,926)	33.1%
Selling expenses	(25,913)	(16,442)	57.6%	(106,912)	(68,662)	55.7%
Other operating income (expenses), net	1,654	(1,353)	-222.2%	(5,920)	(2,338)	153.2%
Equity in the results of investees	(444)	(674)	-34.2%	(2,655)	(4,042)	-34.3%
Operating profit (loss)	4,485	20,944	-78.6%	99,957	91,616	9.1%
Finance income	14,073	12,655	11.2%	51,254	49,487	3.6%
Finance costs	(16,907)	(11,391)	48.4%	(60,845)	(41,382)	47.0%
Finance income (costs), net	(2,834)	1,263	-324.3%	(9,591)	8,104	-218.3%
Profit (loss) before income tax and social contribution	1,651	22,207	-92.6%	90,366	99,722	-9.4%
Income tax and social contribution	(8,595)	(5,219)	64.7%	(34,787)	(20,275)	71.6%
Profit (loss) for the period	(6,944)	16,988	-140.9%	55,579	79,447	-30.0%
Net Profit Margin	-2.4%	7.4%	-1.3 p.p.	3.9%	8.7%	-0.5 p.p.
Attributable to:						
Owners of the company:	(3,874)	11,204	-134.6%	36,565	38,218	4.5%
Non-controlling interests	(3,070)	5,785	-153.1%	19,014	41,230	116.8%

Balance Sheet

Assets (R\$ '000)	03/31/2024	12/31/2023	Δ %
Current assets			
Cash and cash equivalents	242,359	425,150	-43.0%
Marketable securities	164,092	106,046	54.7%
Trade receivables	337,167	315,643	6.8%
Properties for sale	508,895	419,866	21.2%
Taxes recoverable	22,190	16,318	36.0%
Prepaid expenses	38,315	25,105	52.6%
Other receivables	23,847	14,229	67.6%
	-	-	-
Total current assets	1,336,865	1,424,017	-6.1%
Non-current assets			
Long-term receivables	2,973	2,905	2.3%
Restricted financial investments	498,447	497,867	0.1%
Trade receivables	70,677	61,222	15.4%
Properties for sale	592	757	-21.8%
Judicial deposits	82,272	32,332	154.5%
Related parties	2,289	2,247	1.9%
Deferred Taxes	-	-	-
Long-term receivables	657,250	597,330	10.0%
Investments	27,964	28,074	-0.4%
Property and equipment	51,719	36,094	43.3%
Intangible assets	9,714	9,320	4.2%
Lease right-of-use	7,189	6,530	10.1%
Total non-current assets	753,836	687,277	9.7%
Total assets	2,090,701	2,111,294	-1.0%

Liabilities and Equity (R\$ '000)	03/31/2024	12/31/2023	Δ %
Current liabilities			
Borrowings and debentures	187,424	164,443	14.0%
Leases	3,093	3,540	-12.6%
Trade payables	102,171	130,750	-21.9%
Salaries and social charges	21,560	19,880	8.5%
Tax liabilities	6,694	6,435	4.0%
Real estate purchase obligations	26,071	27,650	-5.7%
Dividends payable	152	152	0.0%
Advances from customers	297,269	247,098	20.3%
Provision for real estate maintenance	1,777	2,696	-34.1%
Current taxes with deferred payment	8,797	13,752	-36.0%
Other payables	2,472	1,224	102.0%
Total current liabilities	657,480	617,620	6.5%
Non-current liabilities			
Borrowings and debentures	649,778	638,433	1.8%
Leases	4,240	1,699	149.6%
Real estate purchase obligations	22,162	27,309	-18.8%
Advances from customers	107,845	176,875	-39.0%
Provision for contingencies	8,763	8,950	-2.1%
Provision for real estate maintenance	22,566	19,606	15.1%
Current taxes with deferred payment	25,777	20,472	25.9%
Related parties	19,105	21,190	-9.8%
Provision for investees' net capital defi	8,439	7,650	10.3%
Total non-current liabilities	868,675	922,184	-5.8%
Equity			
Capital	269,172	269,172	0.0%
Capital reserve	259	259	0.0%
Revenue reserves	143,058	143,058	0.0%
	408,615	412,489	-0.9%
Non-controlling interests	155,931	159,001	-1.9%
Total equity	564,546	571,490	-1.2%
Total liabilities and equity	2,090,701	2,111,294	-1.0%



Cash Flow

Cash Flows (R\$ '000)	03/31/2024	03/31/2023	Δ %
Cash flows from operating activities			
Profit for the year	(6,944)	16,989	-140.9%
Adjustments to reconcile profit with cash flows from operating activities			
Depreciation and amortization	5,563	5,234	6.3%
Adjustment of trade receivables to present value	99	3,704	-97.3%
Equity in the results of investees	444	674	-34.1%
Provision for real estate maintenance	5,619	2,179	157.9%
Provision for labor, civil, and tax contingencies	2,161	3,216	-32.8%
Provision for termination of contracts	(1,168)	(183)	538.3%
Allowance for doubtful accounts	908	(1,431)	-163.5%
Provision for interest on borrowings	22,894	15,705	45.8%
Income tax and social contribution	4,686	2,388	96.2%
Write-off of fixed assets	353	-	n/a
Income from securities	(6,278)	(3,332)	88.4%
	28,337	45,143	-37.2%
Changes in working capital			
Increase (decrease) in assets and liabilities			
Trade receivables	(63,175)	(58,236)	8.5%
Properties for sale	(47,226)	(42,229)	11.8%
Taxes recoverable	(1,385)	(1,658)	-16.5%
Other assets	(1,468)	(6,360)	-76.9%
Trade payables	(28,579)	17,133	-266.8%
Salaries and social charges	1,680	4,166	-59.7%
Tax liabilities	(697)	3,047	-122.9%
Real estate purchase obligations	(6,726)	18,682	-136.0%
Advances from customers	(18,859)	(27,112)	-30.4%
Other liabilities	4,814	2,733	76.1%
Payments made for maintenance of properties held as collateral	(3,578)	(1,174)	204.8%
Amounts paid for civil, labor, and tax contingencies	(2,348)	(1,480)	58.6%
	(167,547)	(92,488)	81.2%
Interest paid	32,298	(14,676)	-320.1%
Income tax and social contribution paid	(3,380)	(2,831)	19.4%
Net cash provided by (used in) operating activities	(174,888)	(64,852)	169.7%
Cash flows from investing activities			
Investment in marketable securities	14,142	11,957	18.3%
Changes in restricted financial investments	(68)	(12)	466.7%
Advances to related parties	(52,025)	6,056	-959.1%
Contributions to (return on) investments	(1,113)	(141)	689.4%
Purchases of property and equipment and intangible assets	(11,097)	(5,117)	116.9%
Net cash used in investing activities	(50,161)	12,743	-494%
Cash flows from financing activities			
New borrowings	51,369	28,830	78.2%
Repayment of borrowings and leases - principal amount	(9,111)	(29,827)	-69.5%
Dividends paid	-	(5,500)	n/a
Distributions (reversal) paid to non-controlling interests, net	-	(12,415)	-100.0%
Net cash provided by (used in) financing activities	42,258	(18,912)	-323.4%
Net increase in cash and cash equivalents	(182,791)	(71,021)	157.4%
Cash changes			
Cash and cash equivalents at the beginning of the year	425,150	330,137	28.8%
Cash and cash equivalents at the end of the year	242,359	259,116	n/a
Increase in cash and cash equivalents	(182,791)	(71,021)	157.4%

About Patrimar Group

The Company is a developer and homebuilder based in Belo Horizonte, focusing its activities in the southeastern region of Brazil, with over 60 years of experience in the construction industry, and is positioned among the largest in the country. Its business model is vertically integrated, acting in the development and construction of real estate projects, as well as the commercialization and sale of independent real estate units.

The Company operates diversely in the residential (main activity) and commercial segments, with a presence in high-income operations (luxury and ultra-luxury products) through the Patrimar brand, as well as in the economic and middle-income operations through the Novolar brand.



Investor Relations

Felipe Enck Gonçalves

Chief Financial Officer and Relations Officer with Investors

João Paulo Christoff Lauria

Financial Planning, Partnerships and Investor Relations Manager

Gabrielle Cirino Barrozo

Investor Relations Specialist

Phone: +55 (31) 3254-0311

www.patrimar.com.br/ri

Email: ri@patrimar.com.br





Glossary

Patrimar, Patrimar and Novolar Group: Division of the values of the indicators by brand, with Patrimar grouping the projects that have estimated sales prices above R\$ 10,000/m² and Novolar below, with exceptions. The Patrimar Group encompasses both brands, including investments in new businesses.

Landbank 100%: Total value of the potential PSV of all land owned by the Company or in which the Company has a stake;

Landbank %Grupo Patrimar: Total value of the potential PSV of the land held by the Company or in which the Company has a stake, excluding the exchanged units and partner participation, i.e., the net value belonging to the Company of the potential PSV of the land;

100% Launches: Total value of the PSV of the projects launched, by launch list prices, considering any units exchanged and participation of partners in the projects;

Launches %Grupo Patrimar: Refers to the total value of the PSV of the projects launched, by launch list prices, disregarding exchanged units and partner participation, i.e., only the percentage of the net PSV belonging to the Company;

Gross Sales: Value of contracts signed with customers, referring to the sale of Units ready or for future delivery. The exchanged units are disregarded from the contracted sales value. Contracted sales 100% refers to all units sold in the period (except swapped units) and contracted sales %Equity refers to the percentage of the Company's participation in these sales, excluding the participation of partners;

Net Sales: Contracted Sales minus the value of contracts contracted in the period;

Months of Inventory: Value of Inventories for the period divided by the contracted sales of the last twelve months;

VSO: Sales over supply;

Gross VSO: Gross Sales / (Beginning Inventory for the period + Postings for the period);

Net VSO: Net Sales / (Beginning Inventory for the period + Period Releases);

PSV: Overall Sales Value.

Percentage of Completion ("PoC"): According to IFRS, revenues, costs and expenses related to real estate projects are appropriated based on the cost incurred ("PoC") accounting method, measuring the progress of the work by the actual costs incurred versus the total budgeted expenses for each phase of the project.

ROE: Return On Equity (in Portuguese: Return on Equity). ROE is defined by the ratio of consolidated net income to average consolidated shareholders' equity for annualized periods;

Cash Burn: Consumption or (generation) of cash measured by the change in net debt, excluding capital increases, repurchase of shares held in treasury and dividends paid, if any;

Portfolio: represented by receivables from sales of residential real estate units completed or to be completed and receivables for services rendered;

Construction Liabilities: Cost of construction to be incurred;

Gross Sales Margin: Contract value minus taxes, deducted from the cost of the fraction sold.



ri.patrimar.com.br

SIGA A PATRIMAR NAS REDES SOCIAIS



SIGA A NOVOLAR NAS REDES SOCIAIS



Esta apresentação contém afirmações relacionadas a perspectivas e declarações sobre eventos futuros que estão sujeitas a riscos e incertezas. Tais informações têm como base crenças e suposições da administração da Patrimar Engenharia S.A. ("Companhia") e informações que a Companhia tem acesso no momento. Declarações sobre eventos futuros incluem informações sobre nossas intenções, crenças ou expectativas atuais, assim como aquelas dos membros da administração da Companhia. As declarações e informações sobre o futuro não são garantias de desempenho. Elas envolvem riscos, incertezas e suposições porque se referem a eventos futuros, dependendo, portanto, de circunstâncias que poderão ocorrer ou não. Os resultados futuros e a criação de valor para os acionistas poderão diferir de maneira significativa daqueles expressos ou sugeridos pelas declarações com relação ao futuro. Muitos dos fatores que irão determinar estes resultados e valores estão além da nossa capacidade de controle ou previsão.